

## MEDICAL BOARD STAFF REPORT

ATTENTION: Members, Education and Wellness Committee  
SUBJECT: Report on Benefits of Physician Education on the Disability Insurance and Paid Family Leave Programs  
STAFF CONTACT: Dan Wood, Public Affairs Officer

### **Background**

Promoting access to quality healthcare is part of the mission of the Medical Board of California. The challenges healthcare consumers face in balancing family and work have never been more daunting. California leads the nation in providing opportunities that allow healthcare consumers to find and achieve that balance between work and family. California's healthcare providers play a vital role in helping consumers understand the importance of balance. Physicians should be aware of the programs that the state offers workers and be willing to discuss with their patients the value of participating in these programs. The results of such discussions between physician and patient can serve to reduce stress and promote a healthy work and family balance.

California's Employment Development Department (EDD) is the administrator of State Disability Insurance and the California's Family Leave Act. The California Family Leave Act gives California workers the ability to leave work, for an extended period of time to care for a family member, without fear of losing their job.

Directing the Family Leave Act through the EDD is Dr. Laurel Waters, Medical Director for the Employment Development Department. Dr. Waters will give the members of the Education and Wellness Committee, a presentation on the "Benefits of Physician Education on State Disability and Family Leave"

### **Recommendation**

The Education and Wellness Committee members may wish to consider possible actions to assist licensees in understanding the "Benefits of Physician Education on State Disability and Family Leave"

1. Publication of article and links in Medical Board Newsletter about "Benefits of Physician Education on State Disability and Family Leave"
2. Link to EDD information on Medical Board website
3. Direct staff to work with EDD to develop avenues of communication to expand awareness of California's Family Leave Act.

## **Dr. Laurel Waters**

Dr. Laurel Waters began her education at Reed College in Portland, Oregon. She completed her undergraduate work in Nutrition and Biochemistry, graduating with Honors from University of California, Berkeley (UCB). She worked in an immunology lab gaining more scientific background, both as an undergraduate and during Medical School at University of California at Davis (UCD). She also studied and worked on the relationship of Nutrition to Immune Status during Medical School. She proceeded from University of California at Davis to the University of California at San Francisco (UCSF) to a National Institute of Health funded Research Fellowship in Pediatric Gastroenterology. Dr. Waters started her residency training in Pediatrics at UCSF. She then switched to a UC Davis/ Martinez Veterans Administration Medical Center program in Anatomic and Clinical Pathology followed by Nuclear Medicine. She promptly passed all three Board examinations.

Dr. Waters went to work in the private sector, beginning her career at Marshall Hale Memorial Hospital in San Francisco. She went on to NorthBay Hospital in Fairfield. She returned to San Francisco as the Medical Director of the joint venture between Mt Zion/ UCSF and Damon Clinical Labs for the final two years of its existence. She then moved to St Luke's Hospital in San Francisco. Subsequently, she returned across the Bay to Oakland Children's Hospital where she was the Associate Laboratory Director. Dr. Waters' interest in Pediatric Pathology grew and she applied to stand for the last time the Boards were offered on an experience basis. She also did part of a Fellowship at State University of New York. After passing the Boards in Pediatric Pathology she stopped being bicoastal and settled back in California.

She founded her own business called PerinatalPath. She helped parents understand poor birth outcomes and provided medical legal consultations as well as expert witness work. She gave physician lectures and was involved in county Fetal and Infant Mortality Review Boards. Concurrently she performed in part-time general pathology positions in California, Washington State and New Zealand.

In May of this year, Dr. Waters became the Medical Director of the Employment Development Department working primarily in the Disability Insurance Branch. Today she will talk to us about the "Benefits of Physician Education on State Disability and Family Leave".

# Benefits of Physician Education on the Disability Insurance and Paid Family Leave Programs



Presented by  
Laurel Waters, MD FCAP FASCP  
July 19, 2012



# State Disability Insurance



**State  
Disability  
Insurance**



**Disability  
Insurance**

**Paid Family  
Leave**

# State Disability Insurance

## **Mission**

The California State Disability Insurance Program minimizes financial hardships by providing timely benefits and services to eligible workers and families while supporting California's economy.

## **Vision**

The State Disability Insurance Branch will be a recognized leader and a model of excellence, innovation, and integrity.

# What is SDI?

- State Disability Insurance (SDI) is a partial, short-term, wage-replacement insurance plan for California workers.
- SDI provides coverage for two program components:
  - Disability Insurance** provides partial wage replacement benefits for up to 52 weeks per claim
  - Paid Family Leave** provides partial wage replacement benefits for up to six weeks



# Disability Insurance

## Which States Have It?

**California is one of six U.S. locations with Disability Insurance or Paid Family Leave**

Hawaii - DI

New Jersey – DI, PFL

New York - DI

Rhode Island - DI

The Commonwealth of Puerto Rico -DI



# Key Points of SDI

- Provides coverage for approximately 13 million California workers
- Provides partial wage replacement of approximately 55% of employee's income
- Requires employees have qualifying wages in the base period and be in the labor market when the disability or family leave began





## Key Points of SDI

- Requires a seven day, non-payable waiting period for both DI and PFL benefits
- Provides benefits starting on the 8<sup>th</sup> day
- Requires employees file a timely claim (no later than the 49<sup>th</sup> day after the disability or family leave began)
- Allows employees to apply without regard to length of employment with their current employer

## Can a Claimant Work Part-time?

- Individuals who normally work full-time but due to a disability or family leave have a reduced work schedule, may be eligible to collect State Disability Insurance benefits
- Individuals who normally work part-time but are suffering a loss of wages resulting from a disability or family leave, may be eligible to collect State Disability Insurance

# State Disability Insurance Data

State Fiscal Year 2010/2011

	DI	PFL
Total claims filed	734,650	204,893
Average weekly benefit amount	\$446	\$488
Total benefits authorized	\$4,414,575,335	\$498,438,584



## **Key Points**

# **Disability Insurance**

- Provides wage loss benefits for employees who cannot work due to a non-work-related illness or injury
- Includes: Elective surgery, alcoholism, drug addiction treatment and recovery, pregnancy, childbirth or other related conditions

# Key Points

## Disability Insurance

- Requires employees be unable to perform their regular or customary work
- Requires employees be under the care of a physician or practitioner
- Requires certification from the treating physician or practitioner of the illness, injury or disability



# Disability vs. Impairment

## Disability

According to the CA Unemployment Insurance Code, a disability is a physical or mental condition (sickness or injury) which renders people unable to perform their regular or customary work

## Impairment

An impairment is a condition which renders people less than 100% healthy or whole. This does not necessarily constitute a disability



## Key Points Paid Family Leave

- Paid Family Leave (PFL) is a component of State Disability Insurance and applies to all employees covered by State Disability Insurance (SDI)
- Helps ease the financial burden of a wage loss by providing up to six weeks of benefits due to Bonding or Caregiving needs
- PFL Benefits are payable at the same rate as DI

# Two Basic PFL Claim Types

## Bonding

- Requires written proof of the new child such as birth certificate, adoption papers, or foster care placement document
- Must be claimed within 12 months of the child entering into family
- Child must be under 18 years of age



# Two Basic PFL Claim Types

## Care

- To care for seriously ill spouse, registered domestic partner, parent, or child
- Requires doctor certification of serious illness and a need for care
- Requires the signature of person receiving care or his/her authorized representative





## Key Points Paid Family Leave

- Payments are limited to six weeks over a consecutive rolling 12-month period
- Mothers transitioning from DI for maternity to PFL for bonding benefits do not have to serve a second seven day waiting period (considered same claim)

# How Disability Insurance Differs from Paid Family Leave

Disability Insurance	Paid Family Leave
Up to 52 weeks per claim	Up to six weeks per 12-months
Employee's personal illness, injury, or disability	Caring for a seriously ill family member or to bond with a new child

# SDI Claim Forms

- There are specific Claim forms for DI and PFL
- Claimants may obtain claim forms from SDI field offices, via the EDD website, or from their Health Care Provider
- Doctor's certification is a portion of the claim form



## **Which Health Care Providers Can Certify to a Disability for SDI Claims?**

- Physicians and Surgeons holding a M.D. or D.O. degree
- Chiropractor
- Podiatrist
- Optometrist
- Dentist
- Psychologist
- Nurse midwife or licensed midwife (For normal pregnancy and childbirth only)
- Nurse Practitioner (For all conditions within scope of practice. In order to certify disabilities other than normal pregnancy and childbirth, the nurse practitioner must perform a physical examination and collaborate with a physician.)

# The Claim for Disability Insurance Benefits

**EDD** Employment Development Department  
**EDD-900** (Rev. 01-01) **Claim for Disability Insurance Benefits - Employee**

**EDD** Employment Development Department  
**EDD-901** (Rev. 01-01) **Claim for Disability Insurance Benefits - Doctor's Certification**

**EDD** Employment Development Department  
**EDD-902** (Rev. 01-01) **State Disability Insurance Claim**

1. Complete, sign, and date this form.  
 2. Take the completed signed form to your doctor's.

I authorize any physician, practitioner, hospital, vocational rehabilitation counselor, or workers' compensation insurance carrier to furnish and disclose to employees of California Employment Development Department (EDD) all facts concerning my disability that are within their knowledge and to allow inspection of and provide copies of any medical, vocational rehabilitation, and billing records concerning my disability that are under their control.

I understand that EDD may disclose information as authorized by the California Unemployment Insurance Code and that such disclosed information may no longer be protected by this rule.

I agree that photocopies of this authorization shall be as valid as the original.

I understand that, unless revoked by me in writing, this authorization is valid for three years from the date received by EDD or the effective date of the claim, whichever is later.

I understand that I may not revoke this authorization to avoid prosecution or to prevent EDD's recovery of monies to which it is legally entitled.

EDD-902 (Rev. 01-01) (DO NOT PRINT) DATE: 01/01/01

## Certifying to the Disability

The following claim information is needed by the treating physician/practitioner in order to process your patient's Disability Insurance claim.

- Physician/Practitioner's certification
- Physician/Practitioner's license number
- Patient's estimated return to work date
- ICD-9 Code and Diagnosis



## Certifying to the Disability (cont.)

- Nature, severity, and extent
- Type of treatment
- Surgery or procedure performed
- Pregnancy due date

## Extending the Recovery Date

- A supplemental medical form or extension request is usually sent to the patient and care provider by EDD when the estimated recovery date is reached
- If your patient is still disabled and unable to return to his/her regular or customary work, you can certify to a continued disability
- Your patient must return the completed signed extension request within 20 days of the issue date
- We anticipate beginning late 2012, extensions can be submitted online using SDI Online Services

# Extending the Recovery Date

It is not necessary to use the DI extension form as long as you provide the following on your letterhead:

- Patient's name and Social Security number
- Diagnosis and ICD code
- Statement that the patient is disabled
- Estimated recovery date
- Your signature, license number, and date



# The Claim for Paid Family Leave

The image displays three pages of the EDD Claim for Paid Family Leave form. The first page on the left is the 'Employee Information' section, which includes fields for the employee's name, address, and contact information. The middle page is the 'Employer Information' section, which includes fields for the employer's name, address, and contact information. The third page on the right is the 'Certification of Leave' section, which includes a statement from the employee or a healthcare provider certifying the need for leave. The form is filled out with handwritten information, including dates and names.

# **Certifying to the Need For Care**

The following claim information is needed by the patient's treating physician/practitioner in order to process a Paid Family Leave claim for caregiving.

- Claimant's information
- Care recipient's information
- Necessity for care

# **Certifying to the Need For Care (cont.)**

- ICD-9 Code and Diagnosis
- Recovery and care dates
- Daily hours of care
- Physician/Practitioner's practice and specialty



# Duration Management

**SDI relies on information provided by:**

- Physicians/Practitioners including diagnosis(es), ICD codes, findings, treatments, and comorbid conditions
- MD Guidelines, created by The Reed Group

# Duration Management

## **SDI relies on information provided by:**

- Patient contact in person when they visit an office, or by phone or by mail
- Physicians/Practitioners contact by phone or mail
- Independent Medical Exam (IME)
- Other sources as appropriate

# Legal Basis for Requesting IME's

According to Title XXII, Section 2627( C ) – 1, these are the reasons for which we can require reasonable IME's:

- Medical information from a claimant's physician does not conform with the guidelines established by the EDD Medical Director regarding normal duration and the claimant's physician doesn't provide any objective medical findings to alter the expected duration
- Inadequate medical information to support the existence of a disability



## Legal Basis for Requesting IME's (cont.)

- Conflicting medical information concerning the claimant's disability is received
- Reports of the claimant's activities conflict with reports on the claimant's disability
- Additional medical evidence requested to support a continued claim for disability benefits cannot be secured without an additional fee to the claimant
- Additional medical information is necessary to confirm that the claimant is disabled

Please see Title XXII for the complete verbiage of this section.

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# Elective Coverage

- Self- employed
- Sole proprietor
- Intent to continue the business at least 2 yrs
- Not seasonal
- Major portion of remuneration
- IRS SE >\$4,600 profit/yr

## Elective Coverage Benefits


- >6 mos coverage before claim can be filed
- Protection against loss of income from injury, pregnancy or illness (work related or not)
- Up to 39 weeks of benefits for disability
- Automatic Paid Family Leave (PFL) up to 6 wks
- Benefit \$50-1011/wk
- No pre-existing diagnosis issues





## **SDI Contact Information**

<b>Disability Insurance English 800-480-3287</b>	<b>Disability Insurance Español 866-658-8846</b>
<b>Paid Family Leave English 877-238-4373</b>	<b>Paid Family Leave Español 877-379-3819</b>

The background of the slide features three computer monitors arranged in a row, each displaying a large '@' symbol. The monitors are slightly out of focus, and the overall image has a blueish tint. The text is overlaid on the middle monitor.

Go to [www.edd.ca.gov/](http://www.edd.ca.gov/) for  
more information about  
State Disability Insurance

# Coming late 2012

## File DI/PFL Claims Online

- **Claimants:** Will be able to securely file Disability Insurance and Paid Family Leave claims and submit required documentation related to their claim online.
- **Physicians/Practitioners:** Will be able to securely submit patient information (including the information required for the doctor's certification) online.



# Coming late 2012

## Submit DI/PFL Information Online

- **Employers:** Will be able to securely submit employee information (wages earned, last day worked, etc.) online.

*Please complete the  
evaluation forms.*

*Thank you!*



# *Questions?*

